

PASCOAG UTILITY DISTRICT - BOARD OF UTILITY COMMISSIONERS MINUTES

The regular meeting of the Pascoag Utility District Board of Utility Commissioners was held on Monday, February 22, 2016, at 6:00 p.m. in the District office, 253 Pascoag Main Street, Pascoag, RI.

Members Present: Chairman Albert Palmisciano, Commissioners Ann Polacek, Richard Jenks, Michael Kogut and Doug Lees

Members Absent:

Also in Attendance: Michael Kirkwood, General Manager; William Bernstein, General Counsel

Chairman Palmisciano opened the meeting at 6:00 pm.

1. Pledge of Allegiance

2. Public Comment - none

3. Committee Comments - none

4. Good and Welfare of the District

A. Docket No. 1725

Ms. LaPorte reviewed the customer shut off information. There were no standard customers, protected status customers or financial hardship customers terminated in the month of January. Pascoag Utility District sent out 238 disconnection notices for customers whose past due balances were more than \$200.00. Motion to receive and file made by Mr. Kogut, seconded by Mr. Jenks. The vote in favor was unanimous.

B. Exxon Settlement Fund

Mrs. Round reviewed the Exxon Settlement fund. The CD has a

balance of \$512,106, reflecting no activity. The money market account has a balance of \$834,931. Motion to receive and file made by Mr. Lees, seconded by Mr. Kogut. The vote in favor was unanimous.

C. Street Light Grant

Ms. Round reported that 610 street lights have been ordered. The first phase has been completed and the reimbursement check from the state should be received soon. When 50% of installations are completed another check will be received.

D. Report on February 5, 2016 Storm

Mr. Kirkwood reported on recent February 5th snow storm. He stated it was the most damage the district has seen since Irene. There were only a few lengthy sections of outages; Mowry Street for example. Most of the outages were individual houses where a tree or limb brought down service. Ms. Round stated she is waiting to receive an invoice from tree trimming company Stanley Tree, who came out to assist during the storm, to see if it is necessary to apply for emergency storm funds from the Public Utility Commission.

E. NISC System Mapping

Ms. Dolan reported that Davey has completed mapping and she and Mr. Guertin will be working on entering the mapping information into the system followed by the outage management system.

F. Alarm System Update with Temperature Sensors

Mr. Kirkwood reported that when the district had the burners in the building converted over to natural gas one of the burners malfunctioned shutting off the heat over the weekend. When arriving on Monday, the staff noticed it was very cold and contacted Carter

Brothers to come out to fix the problem. It was recommended to have temperature sensors installed on our existing security system. A few weeks later Mr. Guertin received a call on a Saturday that the water station temperature had dropped below 45 degrees. The thermostat battery needed to be replaced and had shut off heat to the location. The alert prevented any damage such as frozen pipes. At this time the decision was also made to adjust the temperature setting at which the alarm would alert the staff. The buildings will now not be able to get colder than 55 degrees without an alert being sent out.

G. Department of Labor Price Index Meeting

The United States Department of Labor has requested the district to submit reports monthly, as a part of a study they are performing, on the rate cost for a typical customer to help determine national inflation.

5. Approval of Minutes

- **Regular BUC Meeting-January 25, 2016**

Motion to approve the minutes as submitted made by Mr. Kogut, seconded by Mr. Jenks. The vote in favor was unanimous.

6. Unfinished Business

- **15-12 - Cement Lining Project**

Mr. Kirkwood reported that with the customer vote in December to authorize Pascoag Utility to proceed with the water main cleaning and cement lining project, he and Ms. Round have prepared the USDA application and have submitted it. USDA asked for various information and documents while going through the application

process. Mr. Kirkwood also had to have bond counsel get involved to help the process along. Kirkwood stated as soon as USDA says it's a go, the project will be underway, weather permitting. The Pascoag main street section will be done first in coordination with RI-DOT's rebuilding of Route 107

- 16-01 Pascoag Utility and Harrisville Fire District possible merger update

Mr. Kirkwood stated that there is nothing new to report as of now. Harrisville fire District had an issue at the last monthly meeting, so there will be a delay of one month before there is any action taken.

7. New Business - None

8. Financial Reports

A. Electric Department-December 2015

Ms. Round reviewed the electric department financial report for December 2015. She reported a total operating income of \$8,967,403 or 106% of budget. Purchased power is \$5,419,391 or 92% of budget. Total operations and maintenance is \$540,530 or 94% of budget. Total misc. general is \$52,407 or 48% of budget. Total customer account expense \$385,323 or 127% of budget. Total administrative and general is \$1,028,695 or 84% of budget. Total depreciation expense is \$210,537 or 0% of budget. Operating income (loss) excludes depreciation expense is \$1,236,678 or 496% of budget. Total interest income is \$31,364 or 102% of budget. Total other income is \$180,896 or 331% of budget. Income (loss) before deductions \$1,441,426 or 442% of budget.

B. Water Department- December 2015

Ms. Round reviewed the water department financial report for December 2015. The total operating income is \$992,577 or 85% of budget. Total operations and maintenance is \$572,274 or 128% of budget. Total administrative and general is \$325,948 or 86% of budget. Total other expenses \$5,240 or 77% of budget. Total other income (expenses) \$87,601 or 174% of budget. Operating income (loss) includes depreciation expense is \$30,051 or 8% of budget.

Motion to receive and file made by Mr. Jenks, seconded by Mr. Kogut. The vote in favor was unanimous.

9. Adjournment

- Mr. Jenks made a motion to adjourn, seconded by Mr. Lees. The vote in favor was unanimous. The meeting was adjourned at 6:22pm.**

**Richard Jenks, Secretary
Board of Utility Commissioners**

Morgan Williams, Recording Secretary